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TAX EXEMPT AND
GOVERNMENT ENTITIES
DIVISION

DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, D.C. 20224

JUN 26 2009

Re:

Company =

Dear

This letter constitutes notice that your request for a waiver of the minimum funding standard for the above-named plan for the plan year ending December 31, has been denied.

The Company is a mutual insurance company founded in 1925 in Los Angeles, California. Its primarily provides insurance products to the Hispanic community and currently has offices in California, Illinois, Texas and Michigan. The financial hardship occurred because the Company's customer base was targeted by larger insurance companies, which has resulted in declining sales. Additionally, the downturn in the economy has resulted in declining revenue for the Company.

To offset the decline in sales and revenue, the Company increased its sales force and was trying to cut costs throughout the Company. It sold its headquarters building and attempted to increase revenue by acquiring an office building in TX, which it had hoped would generate additional revenue. However, a review of the interim financial statements from the Company for the quarter ending June 30, 2008, shows that the Company's losses were continuing at the same level as before these changes were implemented, and the Company's plan to resolve its financial hardship does not appear to be adequate. Thus, we concluded that the Company's financial hardship is not temporary and the Plan would not be able to continue even if the funding waiver was granted.

You were notified in a letter dated November 12, 2008, that your request had been tentatively denied. A conference of right was held on November 21, 2008, at which only your authorized representative attended on behalf of the Company. At that time, we indicated to your authorized representative that in order to reconsider our tentative denial, the Company would need to provide a detailed recovery plan with projections of revenue by category, expenses and cash flow. To date we have not received any of the

requested information from the Company. Accordingly, your request for a waiver of the minimum funding standard for the Plan for the plan year ending December 31, , has been denied.

You should note that excise taxes under section 4971(a) of the Internal Revenue Code ("Code") are currently due on the accumulated funding deficiency in the Plan for the Plan year ending December 31, . You should file a Form 5330 as soon as possible to report and pay the taxes.

This ruling is directed only to the taxpayer that requested it. Section 6110(k)(3) of the Code provides that it may not be used or cited by others as precedent.

We have sent a copy of this letter to the
to the and to your
authorized representative pursuant to a power of attorney on file in this office.

If you require further assistance in this matter, please contact

Sincerely yours,

David M. Zeigler, Manager
Employee Plans Actuarial Group 2